

## OTE GROUP REPORTS 2023 THIRD QUARTER RESULTS

- Continuing growth in Greek profitability; Adj. EBITDA (AL) up 0.7%
- Total Revenues in Greece down 2.2% on lower wholesale and timing of ICT contracts
  - Positive trajectory in postpaid and prepaid topline continues; Improving trends in Fixed Retail Services, Broadband and TV up
  - Solid momentum in operational KPIs— FTTH footprint at 1.15mn homes passed, utilization rate at 19%, total Fiber (FTTx) base up 7%
- Adjusted Group EBITDA (AL) down 1.5%, impacted by Romania; margin up 40bp

(€ mn)	Q3'23	Q3'22	y-o-y	9M'23	9M'22	y-o-y
Revenues	881.0	904.8	-2.6%	2,538.7	2,569.9	-1.2%
Adjusted EBITDA (AL)	352.6	358.1	-1.5%	1,001.4	1,016.2	-1.5%
<i>margin %</i>	40.0%	39.6%	+0.4pp	39.4%	39.5%	-0.1pp
Operating profit before financial and investing activities	204.8	209.8	-2.4%	537.2	539.5	-0.4%
Profit to owners of the parent	150.0	160.2	-6.4%	397.2	396.4	+0.2%
<i>EPS (€)</i>	0.3553	0.3673	-3.3%	0.9334	0.9000	+3.7%
Adjusted Capex	183.3	178.1	+2.9%	429.9	438.9	-2.1%
Adjusted Free Cash Flow (AL)	50.7	113.9	-55.5%	427.4	501.6	-14.8%
Free Cash Flow (AL)	27.0	80.3	-66.4%	397.1	459.3	-13.5%
Cash and cash equivalents	519.1	523.7	-0.9%	519.1	523.7	-0.9%
Net Debt	671.9	774.2	-13.2%	671.9	774.2	-13.2%

Note: The purpose and calculations of all 'Adjusted' data are detailed in the [Alternative Performance Measures Section](#)

### Message from the Chairman & CEO, Michael Tsamaz:

“We achieved another solid quarter in Greece, making good progress in the areas that will sustain our future growth and profitability. In a very competitive marketplace, we were able to register material subscriber growth in broadband, TV, and postpaid mobile, leveraging our brand’s strong commitment to superior service across the board. These attributes are a clear source of optimism. Our FTTH development is also making headway at a steady pace, in terms of deployment as well as customer additions, and we are hopeful that new public support will encourage these trends.

“We are sustaining cost-containment efforts across the board, in addition to our recent early retirement scheme. These initiatives are paying off, and we are reporting higher Greek EBITDA and a substantial margin. We enter the last stretch of 2023 in good shape to pursue the implementation of our winning strategy and prepare for next year.”

### Outlook

Heightened geopolitical challenges and increasing uncertainties may adversely impact the macroeconomic environment. In particular, higher interest rates, inflation and energy price risks may negatively impact consumer spending. While the competitive environment in Greece remains intense, OTE is defending its market positions and securing its market share, as it continues to benefit from its ongoing investment in

advanced network infrastructure in both fixed and mobile. OTE is leveraging its significant advance over its competition in terms of FTTH rollout, 5G coverage, and network performance to drive ongoing subscriber additions and upgrades. OTE intends to pursue its investment strategy, with particular focus on its highly competitive deployment of FTTH and 5G, and will continue to benefit from its best-in-class networks, recognized customer excellence, and superior brand attributes. Ongoing takeup of FTTH services may be further supported by upcoming government subsidy schemes in the course of 2024. OTE has recently taken several initiatives aimed at enhancing the value of its proposition, safeguarding its future growth and solid financial performance in its home market. At the same time and despite occasional delays as evidenced this quarter, OTE anticipates continued solid performance from its ICT business. OTE acts as one of the major Systems Integrators for businesses and the public sector in Greece and the EU, supported by the ongoing deployment of the EU Recovery and Resilience Fund.

In Greece, for full year 2023, OTE expects Adjusted EBITDA (AL) growth in line with the level achieved in the first nine months, supported by cost efficiency initiatives, such as personnel and lower energy costs. OTE has contracted a large part of its energy supplies for 2024, raising visibility over future spending, albeit at higher prices compared to its previous contract. At Group level, operations should remain impacted by challenging conditions in Romania.

OTE management expects 2023 Free Cash Flow of approximately €500mn while Group Capex should reach approximately €620mn, a 3% reduction from prior guidance of €640mn mainly due to timing of TV content payments and minor delays in FTTH rollout due to challenging weather conditions during the past months.

Total 2023 Shareholder Remuneration should reach approximately €425mn, corresponding to a €250mn cash dividend and a share buyback program of approximately €175mn. The final dividend of €0.58878 per share was paid out on July 11, 2023. As of the date of this release, the Company has disbursed 88% of the amount earmarked for its total 2023 share buyback program.

## OTE GROUP HIGHLIGHTS

OTE's Consolidated Revenues were down 2.6% in Q3'23 to €881.0mn. In Greece, Revenues decreased by 2.2% to €811.8mn, as lower wholesale and a temporary drop in ICT revenues offset positive performances in Mobile, Broadband and TV. In Romania, revenues were down 7.4% at €71.1mn, impacted by mobile termination rate (MTR) cuts and customer-retention promotions in prior periods.

Total Group Operating Expenses, excluding depreciation, amortization, impairment, and charges related to restructuring costs (primarily voluntary leave schemes), amounted to €515.2mn in Q3'23, down 2.3% compared to Q3'22, reflecting cost-containment efforts in several areas, notably personnel and energy costs, and a decrease in direct costs, associated with lower revenues.

Group Adjusted EBITDA (AL) was down 1.5% at €352.6mn, resulting in a margin of 40.0%. In Greece, Adjusted EBITDA (AL) increased by 0.7% to €348.0mn, yielding a strong margin of 42.9%. Romania Mobile operations recorded an Adjusted EBITDA (AL) of €4.6mn, down €8.0mn, mainly reflecting lower revenue as well as the impact of higher energy costs.

Adjusted Capex amounted to €183.3mn, up 2.9% from Q3'22 on ongoing FTTH and 5G rollout. Capex in Greece and Romania stood at €174.8mn and €8.5mn, respectively.

Group Adjusted Free Cash Flow (AL) reached €50.7mn in Q3'23, down 55.5% year-on-year, while reported Free Cash Flow (AL) stood at €27.0mn, down 66.4% versus Q3'22, mainly reflecting higher income tax payments during the quarter.

The Group's Net Debt stood at €671.9mn as of September 30, 2023, down 13.2% compared to September 30, 2022. The Group's ratio of Net Debt to 12-month Adjusted EBITDA (AL) stood at 0.5x. During the quarter, the rating agency Standard & Poor's raised OTE's long-term rating to "BBB+" with stable outlook.

Revenues (€mn)	Q3'23	Q3'22	y-o-y	9M'23	9M'22	y-o-y
Greece	811.8	830.0	-2.2%	2,334.6	2,341.5	-0.3%
Romania mobile	71.1	76.8	-7.4%	209.4	233.4	-10.3%
<i>Eliminations</i>	<i>(1.9)</i>	<i>(2.0)</i>	<i>-5.0%</i>	<i>(5.3)</i>	<i>(5.0)</i>	<i>+6.0%</i>
<b>OTE GROUP</b>	<b>881.0</b>	<b>904.8</b>	<b>-2.6%</b>	<b>2,538.7</b>	<b>2,569.9</b>	<b>-1.2%</b>

Adjusted EBITDA (AL) (€mn)	Q3'23	Q3'22	y-o-y	9M'23	9M'22	y-o-y
Greece	348.0	345.5	+0.7%	988.5	978.2	+1.1%
<i>margin (%)</i>	<i>42.9%</i>	<i>41.6%</i>	<i>+1.3pp</i>	<i>42.3%</i>	<i>41.8%</i>	<i>+0.5pp</i>
Romania mobile	4.6	12.6	-63.5%	12.9	38.0	-66.1%
<i>margin (%)</i>	<i>6.5%</i>	<i>16.4%</i>	<i>-9.9pp</i>	<i>6.2%</i>	<i>16.3%</i>	<i>-10.1pp</i>
<b>OTE GROUP</b>	<b>352.6</b>	<b>358.1</b>	<b>-1.5%</b>	<b>1,001.4</b>	<b>1,016.2</b>	<b>-1.5%</b>
<i>margin (%)</i>	<i>40.0%</i>	<i>39.6%</i>	<i>+0.4pp</i>	<i>39.4%</i>	<i>39.5%</i>	<i>-0.1pp</i>

## GREECE

### OPERATIONAL HIGHLIGHTS

KPIs	Q3'23	Q3'22	y-o-y %	y-o-y diff.	Q3'23 Net Adds
<b>Fixed line access</b>	<b>2,690,707</b>	<b>2,701,728</b>	<b>-0.4%</b>	<b>(11,021)</b>	<b>(7,902)</b>
<b>Broadband subscribers</b>	<b>2,345,916</b>	<b>2,298,001</b>	<b>+2.1%</b>	<b>47,915</b>	<b>3,540</b>
<i>Total Fiber (FTTx)</i>	<i>1,525,878</i>	<i>1,430,415</i>	<i>+6.7%</i>	<i>95,463</i>	<i>10,974</i>
<i>FTTH</i>	<i>215,710</i>	<i>109,995</i>	<i>+96.1%</i>	<i>105,715</i>	<i>22,122</i>
<b>TV subscribers</b>	<b>665,261</b>	<b>643,776</b>	<b>+3.3%</b>	<b>21,485</b>	<b>17,364</b>
<b>Mobile Subscribers</b>	<b>7,365,503</b>	<b>7,411,445</b>	<b>-0.6%</b>	<b>(45,942)</b>	<b>(7,911)</b>
<i>Postpaid</i>	<i>3,086,026</i>	<i>2,924,312</i>	<i>+5.5%</i>	<i>161,714</i>	<i>34,791</i>
<i>Prepaid</i>	<i>4,279,477</i>	<i>4,487,133</i>	<i>-4.6%</i>	<i>(207,656)</i>	<i>(42,702)</i>

### Fixed Segment

OTE is making further progress in the broadband market, where its attractive offering and customer upgrades led to another increase in total broadband subscribers, to 2,346k. OTE's total broadband base rose by 2.1% year-on-year, while broadband penetration on total fixed lines stood at 87%, up from 85% a year earlier. OTE posted another quarter of positive net additions, at 4k, in a traditionally low-contribution quarter, capturing the bulk of estimated market net adds.

OTE expands its fiber network and upgrades its customer offering. As a result, the total number of its fiber (FTTx) subscribers increased by 7% year-on-year, with 11k net additions in the quarter. The total number of fiber (FTTx) subscribers stood at 1,526k, while FTTx penetration on the total broadband base stood at 65%. Speeds of 100Mbps or higher continue to gain traction, reaching 46% of total FTTx connections.

The Company remains focused on its FTTH investment plan, further expanding its FTTH footprint to an additional 97k homes passed during the quarter. OTE's total FTTH footprint reached 1,148k homes passed as of September and should exceed 1.3 million homes by year end. The FTTH subscriber base posted another quarter of strong additions, at 22k, raising the total number of FTTH subscribers to 216k. Total utilization on homes passed by OTE's infrastructure stood at 19%, compared to 16% one year earlier, reflecting active sales effort and enhanced network availability. FTTH penetration among OTE customers on homes passed already exceeds 30%. Offering and marketing the best-in-class available infrastructure in the country, OTE is succeeding in attracting the bulk of FTTH connections and protecting its base. A new state voucher scheme, "Smart Readiness", partly subsidizing FTTH in-building construction, was recently launched, while an FTTH demand subsidy coupon, expected to be introduced in 2024, should provide further support to FTTH takeup in the future.

OTE's TV subscriber base increased by 3.3% year-on-year, reaching 665k. OTE posted a strong quarter of net additions, at 17k, fueled by its superior exclusive content. In recent months, an intense anti-piracy campaign has been conducted by several authorities in coordination with the main operators to combat illegal connections. OTE will continue to leverage its enriched content portfolio, notably sports, benefiting from higher demand during the quarter.

### Mobile Segment

Consistent with the positive trends achieved in past quarters, OTE's mobile postpaid segment recorded another quarter of growth, up 5.5% year-on-year. Net additions were also positive in the quarter, at 35k, supported by ongoing customer additions and prepaid-to-postpaid upgrades. Ongoing growth in the postpaid segment is driven by the Company's competitive advantage in terms of customer loyalty and network superiority.

The Company continues to enjoy a strong competitive advantage in customer satisfaction and network performance surveys. In recent months, Cosmote's mobile network was recognized as "the Fastest Mobile Network in Greece" at the Speedtest Awards™ by Ookla® for the 7<sup>th</sup> consecutive year and won "Best in Test" by "umlaut" for the 9<sup>th</sup> time in a row. Recognition of Cosmote's network quality, supported by ongoing investments, drives positive customer preferences and revenue growth.

OTE continues to expand its 5G network coverage, having already reached its 2023 year-end target of 90% of total population, well ahead of competition. 5G coverage has already reached 97% of population in Athens and Thessaloniki, while 68 other cities enjoy coverage of over 95%, with speeds exceeding 1Gbps in certain areas. OTE continues to promote data consumption over its networks with the average data usage per month reaching 14GB in the quarter, up 28%. OTE leverages the growth of data consumption alongside its network superiority to strengthen its revenue base.

### FINANCIAL HIGHLIGHTS

(€mn)	Q3'23	Q3'22	+/- %	9M'23	9M'22	+/- %
<b>Revenues</b>	<b>811.8</b>	<b>830.0</b>	<b>-2.2%</b>	<b>2,334.6</b>	<b>2,341.5</b>	<b>-0.3%</b>
Retail Fixed Services	228.2	230.2	-0.9%	685.0	706.1	-3.0%
<i>Including Data Com.</i>	252.5	255.2	-1.0%	753.6	772.9	-2.5%
Mobile Service Revenues	276.1	275.3	+0.3%	760.0	747.1	+1.7%
Wholesale Services	142.1	150.7	-5.7%	415.8	440.2	-5.5%
Other Revenues	165.4	173.8	-4.8%	473.8	448.1	+5.7%
<b>Adjusted EBITDA (AL)</b>	<b>348.0</b>	<b>345.5</b>	<b>+0.7%</b>	<b>988.5</b>	<b>978.2</b>	<b>+1.1%</b>
<i>margin (%)</i>	<b>42.9%</b>	<b>41.6%</b>	<b>+1.3pp</b>	<b>42.3%</b>	<b>41.8%</b>	<b>+0.5pp</b>

Total revenues from Greek operations amounted to €811.8mn in the quarter, down 2.2% year on year, as lower wholesale revenue and a temporary drop in ICT billings more than offset the positive momentum in mobile, broadband, and TV.

Retail fixed service revenues decreased by 0.9%, a sharp improvement in trends compared to prior quarters, as the continuing decline of certain legacy services was nearly offset by recovery in broadband and TV.

Mobile service revenues were up 0.3% in the quarter. Excluding the drop in visitor roaming revenues, attributable in full to price discounts provided to operators, mobile service revenues would be up 1.4%, extending the strong momentum of recent quarters. Visitor roaming revenues were down by almost €2mn in the first nine months of 2023. Both postpaid and prepaid segments pursue their positive trajectory, as OTE successfully executes its more-for-more strategy and shifts customers to higher-value services. Several initiatives recently implemented should further support revenue growth in coming quarters.

Wholesale revenues decreased by 5.7% in Q3'23, reflecting lower revenues from low-margin international transit traffic as well as a drop in the national wholesale stream, reflecting the infrastructure built by other

operators.

Other revenues were down 4.8% in the quarter, mainly reflecting delays in certain public-sector contracts in the wake of the recent Greek parliamentary elections. As a result, total ICT revenue dropped by approximately 6% in the quarter. The segment is expected to gradually recover its growth momentum in coming quarters. The Company continues to leverage its experience and capabilities in network infrastructure, along with innovative and customized IT and cloud solutions. Recent projects assigned to OTE in partnership include the digital transformation of the Greek National Health Service Organization.

Total Adjusted EBITDA (AL) in Greece rose 0.7% in the quarter to €348.0mn, yielding a margin of 42.9%, up sharply from 41.6% in Q3'22. The increase in profitability despite the revenue drop was supported by successful cost-containment efforts in several areas. Personnel costs were down 6.7%, mainly reflecting the early retirement program implemented earlier this year, alongside the three-year union agreement concluded last spring. Energy costs also declined in the quarter; OTE renewed its energy-supply agreement for 2024. The Company also reduced bad-debt provisioning, consistent with the trends observed in recent quarters and in 2022.

## ROMANIA MOBILE

KPIs	Q3'23	Q3'22	y-o-y %	y-O-y diff.	Q3'23 Net Adds
<b>Mobile Subscribers</b>	<b>3,899,095</b>	<b>4,081,628</b>	<b>-4.5%</b>	<b>(182,533)</b>	<b>(164,300)</b>
<i>Postpaid</i>	<i>1,882,952</i>	<i>1,824,384</i>	<i>+3.2%</i>	<i>58,568</i>	<i>19,369</i>
<i>Prepaid</i>	<i>2,016,143</i>	<i>2,257,244</i>	<i>-10.7%</i>	<i>(241,101)</i>	<i>(183,669)</i>

(€mn)	Q3'23	Q3'22	y-o-y	9M'23	9M'22	y-o-y
<b>Revenues</b>	<b>71.1</b>	<b>76.8</b>	<b>-7.4%</b>	<b>209.4</b>	<b>233.4</b>	<b>-10.3%</b>
Mobile Service Revenues	47.6	51.2	-7.0%	141.7	154.1	-8.0%
Other Revenues	23.5	25.6	-8.2%	67.7	79.3	-14.6%
<b>Adjusted EBITDA (AL)</b>	<b>4.6</b>	<b>12.6</b>	<b>-63.5%</b>	<b>12.9</b>	<b>38.0</b>	<b>-66.1%</b>
<i>margin (%)</i>	<i>6.5%</i>	<i>16.4%</i>	<i>-9.9pp</i>	<i>6.2%</i>	<i>16.3%</i>	<i>-10.1pp</i>

Total revenues from Telekom Romania Mobile amounted to €71.1mn in the quarter, down 7.4% year on year, an improvement compared to recent trends, mainly reflecting lower interconnection and handset revenues. Romania operations continue to be impacted by mobile termination rate (MTR) cuts and certain customer-retention activities in the form of handset subsidies.

Consistent with prior quarters, mobile postpaid subscribers posted another solid growth, up 3.2% year-on-year, setting the framework for future revenue improvements. The performance of the prepaid segment was affected by certain sampling campaigns implemented in 2022.

Adjusted EBITDA (AL) stood at €4.6mn in the quarter, down €8.0mn compared to Q3'22, partly reflecting the high comparable base, as Q3'22 was positively affected by certain non-recurring provision reversals and the impact of higher energy costs in 2023.



## SIGNIFICANT EVENTS OF THE QUARTER

### **Standard & Poor's upgrades OTE to "BBB+" with stable outlook**

On July 19, 2023, the rating agency Standard & Poor's raised OTE's long-term rating from BBB to BBB+ with stable outlook. According to the rating agency, OTE's upgrade reflects the recent upgrade of OTE's parent Deutsche Telekom to BBB+ and OTE's robust financial metrics, including solid balance sheet and resilient cash flow generation. In addition, the Hellenic Republic's recent upgrade of its BB+ rating to investment grade BBB- with a stable outlook underscore the ongoing improvements in OTE's economic environment.

### **Merger of Cosmote within OTE**

On July 13, 2023, the Boards of Directors of OTE and COSMOTE decided the initiation of the merger procedure through absorption of OTE's 100% subsidiary "COSMOTE – MOBILE TELECOMMUNICATIONS SINGLE MEMBER SOCIETE ANONYME" ("COSMOTE"). The absorption is not expected to have any impact on Group consolidated financials as COSMOTE is fully consolidated in Group Financial Statements. The board of Directors of OTE, at its October 12, 2023, meeting, approved the terms and conditions of this Draft Merger Agreement. The process is expected to be completed in January 2024.

### **Share Buyback Program**

Since March 2023, OTE has been executing a share buyback program, as part of its 2023 Shareholder Remuneration Policy. The targeted buyback amount, during the period March 1, 2023, to January 19, 2024, is approximately €175 million, including expenses. The Company acquired 9,331,045 own shares during the period from March 1, 2023, to September 30, 2023, at an average price of €13.96 per share. Out of these shares, 2,663,957 own shares acquired during the period from March 1, 2023, to April 30, 2023, were cancelled and delisted on July 18, 2023, along with 4,753,092 own shares awaiting cancellation acquired in the previous Share Buyback Program. As of September 30, 2023, the Company held 6,667,088 own shares.

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**About OTE**

OTE Group is the largest telecommunications provider in the Greek market and offers mobile telecommunications services in Romania. OTE is among the largest listed companies, with respect to market capitalization, in the Athens Stock Exchange.

OTE Group offers the full range of telecommunications services: from fixed-line and mobile telephony, broadband services, to pay television and ICT solutions. In addition to its core activities, the Group is also involved in electronic payments, delivery services, maritime communications, real estate, insurance distribution and professional training.

Additional Information is also available on: <https://www.cosmote.gr>

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**Conference Call Details**  
**Friday, November 10, 2023**

10:00am (EET), 8:00am (GMT), 9:00am (CET), 03:00am (EST)

**Dial-in Details**

Greece	+30 210 9460 800
Germany	+49 (0) 69 2222 4493
UK & International	+44 (0) 203 059 5872
USA	+1 516 447 5632

We recommend that you call any of the above numbers 5 to 10 minutes before the conference call is scheduled to start.

**Live Webcast Details**

The conference call will be webcast and you may join by linking at:  
<https://87399.themediaframe.eu/links/otegroup231110.html>

*If you experience difficulty, please call + 30 210 9460803.*

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[https://www.cosmote.gr/cs/otegroup/en/investor\\_relations.html](https://www.cosmote.gr/cs/otegroup/en/investor_relations.html)

**Forward-looking Disclaimer**

Certain statements in this document constitute forward-looking statements. Such forward looking statements are subject to risks and uncertainties that may cause actual results to differ materially. These risks and uncertainties include, among other factors, changing economic, financial, business or other market conditions. OTE will not update such statements on a regular basis. As a result, you are cautioned not to place any reliance on such forward-looking statements. Nothing in this document should be construed as a profit forecast and no representation is made that any of these statement or forecasts will come to pass. Persons receiving this announcement should not place undue reliance on forward-looking statements and are advised to make their own independent analysis and determination with respect to the forecast periods, which reflect the Group's view only as of the date hereof.

**Exhibits:**

- I. Alternative Performance Measures "APMs"
- II. Consolidated Statement of Financial Position as of September 30, 2023 and December 31, 2022
- III. Consolidated Income Statement for the quarter and nine months ended September 30, 2023 and comparative 2022
- IV. Consolidated Statement of Cash Flows for the quarter and nine months ended September 30, 2023 and comparative 2022



## I. ALTERNATIVE PERFORMANCE MEASURES “APMs”

The Group uses certain Alternative Performance Measures (“APMs”) in making financial, operating and planning decisions as well as in evaluating and reporting its performance. APMs provide additional insights and understanding to the Group’s underlying performance, financial condition and cash flow. APMs and the respective adjusted measures are calculated by using the directly reconcilable amounts of the Consolidated Statement of Financial Position (Exhibit II), Consolidated Income Statement (Exhibit III) and Consolidated Statement of Cash Flow (Exhibit IV) of the Group and the below items as well, that due to their nature impacting comparability. As these costs or payments are of significant size and of irregular timing, it is a common industry practice to be excluded for the calculation of the APMs and the adjusted figures in order to facilitate comparability with industry peers and facilitate the user to obtain a better understanding of the Group’s performance achieved from ongoing activity. The APMs should be read in conjunction with and do not replace by any means the directly reconcilable IFRS line items.

- Costs or payments related to Voluntary Leave Schemes:** Costs or payments related to Voluntary Leave Schemes comprise the exit incentives provided to employees and the contributions to the social security fund to exit/retire employees before conventional retirement age. These costs are included within the income statement as well as within the cash flow statement lines “costs related to voluntary leave schemes” and “payment for voluntary leave schemes”, respectively.
- Costs or payments related to other restructuring plans:** Other restructuring costs comprise non-ongoing activity related costs arising from significant changes in the way the Group conducts business. These costs are mainly related to the Group’s portfolio management restructuring.
- Spectrum acquisition payments:** Spectrum payments comprise the amounts paid to acquire rights (licenses) through auctions run by the National Regulator to transmit signals over specific bands of the electromagnetic spectrum.

## Definitions and Reconciliations of Alternative Performance Measures (“APMs”)

### Net Debt

Net Debt is used to evaluate the Group’s capital structure and leverage. Net Debt is defined as short-term borrowings plus long-term borrowings plus short-term portion of long-term borrowings plus other financial liabilities less cash and cash equivalents. Following the adoption of IFRS 16 financial liabilities related to leases are included in the calculation of net debt from 2019 onwards.

OTE Group (€ mn)	30/09/2023	30/09/2022
Long-term borrowings	859.0	881.3
Short-term portion of long-term borrowings	23.1	23.1
Short-term borrowings	80.0	150.0
Lease liabilities (long-term portion)	168.3	173.6
Lease liabilities (short-term portion)	57.3	69.9
Financial liabilities related to wallets	3.3	-
Cash and cash equivalents	(519.1)	(523.7)
<b>Net Debt</b>	<b>671.9</b>	<b>774.2</b>

### EBITDA - Adjusted EBITDA - Adjusted EBITDA After Lease (AL)

- EBITDA is derived directly from the Financial Statements of the Group, line “Operating profit before financial and investing activities, depreciation, amortization and impairment” of the Income Statement. EBITDA is defined as total revenues plus other operating income less total operating expenses before depreciation, amortization and impairment. EBITDA is intended to provide useful information to analyze the Group’s operating performance.
- Adjusted EBITDA is calculated by excluding the impact of costs related to voluntary leave schemes and other restructuring costs.

- Adjusted EBITDA After Lease (AL): Following the adoption of IFRS 16 related to leases, it is a common industry practice to use the EBITDA After Lease (AL) or Adjusted EBITDA After Lease (AL) in order to facilitate comparability with industry peers and historical comparison as well. Adjusted EBITDA (AL) is defined as Adjusted EBITDA deducting the depreciation and interest expense related to leases. EBITDA, Adjusted EBITDA and Adjusted EBITDA (AL) margin (%) is defined as the respective EBITDA divided by total revenues.

Q3'23 (€ mn)	OTE Group		Greece		Romania	
	Q3'23	Q3'22	Q3'23	Q3'22	Q3'23	Q3'22
<b>Revenues</b>	881.0	904.8	811.8	830.0	71.1	76.8
Other Operating Income	4.4	0.7	2.6	0.3	1.8	0.4
Total Operating Expenses (ex-Depreciation, amortization & impairment)	(519.1)	(529.7)	(456.3)	(472.1)	(64.7)	(59.6)
<b>EBITDA</b>	<b>366.3</b>	<b>375.8</b>	<b>358.1</b>	<b>358.2</b>	<b>8.2</b>	<b>17.6</b>
Costs related to voluntary leave schemes	3.9	2.5	3.9	2.0	-	0.5
Other restructuring costs	-	0.1	-	-	-	0.1
<b>Adjusted EBITDA</b>	<b>370.2</b>	<b>378.4</b>	<b>362.0</b>	<b>360.2</b>	<b>8.2</b>	<b>18.2</b>
Depreciation of lessee use rights to leased assets	(15.5)	(18.2)	(12.2)	(13.0)	(3.3)	(5.2)
Interest expense on leases	(2.1)	(2.1)	(1.8)	(1.7)	(0.3)	(0.4)
<b>Adjusted EBITDA (AL)</b>	<b>352.6</b>	<b>358.1</b>	<b>348.0</b>	<b>345.5</b>	<b>4.6</b>	<b>12.6</b>
<i>margin %</i>	<b>40.0%</b>	<b>39.6%</b>	<b>42.9%</b>	<b>41.6%</b>	<b>6.5%</b>	<b>16.4%</b>

9M'23 (€ mn)	OTE Group		Greece		Romania	
	9M'23	9M'22	9M'23	9M'22	9M'23	9M'22
<b>Revenues</b>	2,538.7	2,569.9	2,334.6	2,341.5	209.4	233.4
Other Operating Income	8.6	7.4	5.5	6.1	3.1	1.3
Total Operating Expenses (ex-Depreciation, amortization & impairment)	(1,516.8)	(1,535.0)	(1,339.0)	(1,359.0)	(183.1)	(181.0)
<b>EBITDA</b>	<b>1,030.5</b>	<b>1,042.3</b>	<b>1,001.1</b>	<b>988.6</b>	<b>29.4</b>	<b>53.7</b>
Costs related to voluntary leave schemes	30.5	35.2	30.1	34.5	0.4	0.7
Other restructuring costs	0.8	0.5	-	-	0.8	0.5
<b>Adjusted EBITDA</b>	<b>1,061.8</b>	<b>1,078.0</b>	<b>1,031.2</b>	<b>1,023.1</b>	<b>30.6</b>	<b>54.9</b>
Depreciation of lessee use rights to leased assets	(53.8)	(55.3)	(37.5)	(39.7)	(16.3)	(15.6)
Interest expense on leases	(6.6)	(6.5)	(5.2)	(5.2)	(1.4)	(1.3)
<b>Adjusted EBITDA (AL)</b>	<b>1,001.4</b>	<b>1,016.2</b>	<b>988.5</b>	<b>978.2</b>	<b>12.9</b>	<b>38.0</b>
<i>margin %</i>	<b>39.4%</b>	<b>39.5%</b>	<b>42.3%</b>	<b>41.8%</b>	<b>6.2%</b>	<b>16.3%</b>

### Capital expenditure (Capex) and Adjusted Capex

Capital expenditure is derived directly from the Financial Statements of the Group, line "Purchase of property, plant and equipment and intangible assets" of the Cash Flow Statement. The Group uses Capex to ensure that the cash spending is in line with its overall strategy for the use of cash. Adjusted Capex is defined as Capex excluding spectrum payments.

OTE Group (€ mn)	Q3'23	Q3'22	9M'23	9M'22
Purchase of property plant and equipment and intangible assets - Capex	(183.3)	(178.1)	(429.9)	(440.1)
Spectrum Payments	-	-	-	1.2
<b>Adjusted CAPEX</b>	<b>(183.3)</b>	<b>(178.1)</b>	<b>(429.9)</b>	<b>(438.9)</b>

### Free Cash Flow (FCF)- Free Cash Flow After Lease (AL) – Adjusted FCF After Lease (AL)

- Free Cash Flow is defined as net cash flows from operating activities, after payments for purchase of property plant and equipment and intangible assets (Capex) and adding the interest received. Free Cash Flow After Lease (AL) is defined as Free Cash Flow after lease repayments.
- Adjusted FCF After Lease (AL) facilitates comparability of Cash Flow generation with industry peers and discussions with the investment analyst community and debt rating agencies. It is calculated by excluding from the Free Cash Flow After Lease (AL) spectrum payments, payments for voluntary leave schemes and payments for other restructuring costs.

FCF After Lease (AL) and Adjusted FCF After Lease (AL) are intended to measure the cash generation from the Group's business activities while facilitate the understanding the Group's cash generating performance as well as availability for debt repayment, dividend distribution and own reserves.

OTE Group (€ mn)	Q3'23	Q3'22	9M'23	9M'22
Net cash flows from operating activities	227.2	278.2	881.5	958.0
Purchase of property, plant, equipment & intangible assets	(183.3)	(178.1)	(429.9)	(440.1)
Interest received	1.9	0.8	7.2	1.7
<b>Free Cash Flow</b>	<b>45.8</b>	<b>100.9</b>	<b>458.8</b>	<b>519.6</b>
Lease repayments	(18.8)	(20.6)	(61.7)	(60.3)
<b>Free Cash Flow After Lease (AL)</b>	<b>27.0</b>	<b>80.3</b>	<b>397.1</b>	<b>459.3</b>
Payment for voluntary leave schemes	23.7	33.6	28.7	36.0
Payment for other restructuring costs	-	-	1.6	5.1
Spectrum payments	-	-	-	1.2
<b>Adjusted FCF After Lease (AL)</b>	<b>50.7</b>	<b>113.9</b>	<b>427.4</b>	<b>501.6</b>

## II. OTE GROUP CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€ mn)	30/09/2023	31/12/2022
<b>ASSETS</b>		
<b>Non - current assets</b>		
Property, plant and equipment	2,136.7	2,081.1
Right-of-use assets	238.3	266.6
Goodwill	376.6	376.6
Telecommunication licenses	272.0	296.1
Other intangible assets	274.6	335.1
Investments	0.1	0.1
Loans to pension funds	61.7	64.7
Deferred tax assets	183.5	178.2
Contract costs	28.7	30.2
Other non-current assets	69.7	75.3
<b>Total non - current assets</b>	<b>3,641.9</b>	<b>3,704.0</b>
<b>Current assets</b>		
Inventories	51.1	54.0
Trade receivables	539.0	471.2
Other financial assets	5.3	4.8
Contract assets	58.6	49.6
Other current assets	129.4	123.7
Restricted Cash	0.6	1.8
Cash and cash equivalents	519.1	590.1
<b>Total current assets</b>	<b>1,303.1</b>	<b>1,295.2</b>
<b>TOTAL ASSETS</b>	<b>4,945.0</b>	<b>4,999.2</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Parent</b>		
Share capital	1,206.3	1,227.3
Share premium	430.9	438.9
Treasury shares	(94.4)	(73.5)
Statutory reserve	440.7	440.7
Foreign exchange and other reserves	(137.8)	(138.8)
Changes in non-controlling interests	(3,314.1)	(3,314.1)
Retained earnings	3,334.1	3,267.9
<b>Total equity attributable to owners of the Parent</b>	<b>1,865.7</b>	<b>1,848.4</b>
Non-controlling interests	0.5	0.5
<b>Total equity</b>	<b>1,866.2</b>	<b>1,848.9</b>
<b>Non-current liabilities</b>		
Long-term borrowings	859.0	881.5
Provision for staff retirement indemnities	93.7	96.7
Provision for youth account	76.9	86.1
Contract liabilities	80.2	40.8
Lease liabilities	168.3	182.1
Deferred tax liabilities	0.3	0.4
Other non – current liabilities	39.3	55.7
<b>Total non – current liabilities</b>	<b>1,317.7</b>	<b>1,343.3</b>
<b>Current liabilities</b>		
Trade accounts payable	809.0	874.0
Short-term borrowings	80.0	150.0
Short-term portion of long-term borrowings	23.1	23.1
Income tax payable	144.6	92.3
Contract liabilities	158.2	136.1
Lease liabilities	57.3	76.1
Dividends payable	2.5	2.4
Other current liabilities	486.4	453.0
<b>Total current liabilities</b>	<b>1,761.1</b>	<b>1,807.0</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4,945.0</b>	<b>4,999.2</b>

**III. OTE GROUP CONSOLIDATED INCOME STATEMENT**

(€ mn)	Q3'23	Q3'22	y-o-y	9M'23	9M'22	y-o-y
<b>Fixed business:</b>						
Retail services revenues	228.2	230.2	-0.9%	685.0	706.1	-3.0%
Wholesale services revenues	142.0	150.6	-5.7%	415.7	440.1	-5.5%
Other revenues	87.2	90.8	-4.0%	248.0	230.5	+7.6%
<b>Total revenues from fixed business</b>	<b>457.4</b>	<b>471.6</b>	<b>-3.0%</b>	<b>1,348.7</b>	<b>1,376.7</b>	<b>-2.0%</b>
<b>Mobile business:</b>						
Service revenues	323.4	326.3	-0.9%	901.2	900.8	0.0%
Handset revenues	72.9	79.3	-8.1%	207.0	203.3	+1.8%
Other revenues	4.3	5.0	-14.0%	12.0	24.2	-50.4%
<b>Total revenues from mobile business</b>	<b>400.6</b>	<b>410.6</b>	<b>-2.4%</b>	<b>1,120.2</b>	<b>1,128.3</b>	<b>-0.7%</b>
<b>Miscellaneous other revenues</b>	<b>23.0</b>	<b>22.6</b>	<b>+1.8%</b>	<b>69.8</b>	<b>64.9</b>	<b>+7.6%</b>
<b>Total revenues</b>	<b>881.0</b>	<b>904.8</b>	<b>-2.6%</b>	<b>2,538.7</b>	<b>2,569.9</b>	<b>-1.2%</b>
<b>Other operating income</b>	<b>4.4</b>	<b>0.7</b>	<b>-</b>	<b>8.6</b>	<b>7.4</b>	<b>+16.2%</b>
<b>Operating expenses</b>						
Interconnection and roaming costs	(107.5)	(116.1)	-7.4%	(307.3)	(330.9)	-7.1%
Provision for expected credit losses	(9.8)	(12.9)	-24.0%	(28.7)	(39.0)	-26.4%
Personnel costs	(103.5)	(110.0)	-5.9%	(321.6)	(342.8)	-6.2%
Costs related to voluntary leave schemes	(3.9)	(2.5)	+56.0%	(30.5)	(35.2)	-13.4%
Commission costs	(22.4)	(18.1)	+23.8%	(65.2)	(58.8)	+10.9%
Merchandise costs	(92.4)	(96.8)	-4.5%	(250.1)	(250.4)	-0.1%
Maintenance and repairs	(22.7)	(19.4)	+17.0%	(62.0)	(58.6)	+5.8%
Marketing	(23.5)	(18.8)	+25.0%	(53.8)	(48.7)	+10.5%
Other operating expenses	(133.4)	(135.1)	-1.3%	(397.6)	(370.6)	+7.3%
<b>Total operating expenses before depreciation, amortization and impairment</b>	<b>(519.1)</b>	<b>(529.7)</b>	<b>-2.0%</b>	<b>(1,516.8)</b>	<b>(1,535.0)</b>	<b>-1.2%</b>
<b>Operating profit before financial and investing activities, depreciation, amortization and impairment</b>	<b>366.3</b>	<b>375.8</b>	<b>-2.5%</b>	<b>1,030.5</b>	<b>1,042.3</b>	<b>-1.1%</b>
Depreciation, amortization and impairment	(161.5)	(166.0)	-2.7%	(493.3)	(502.8)	-1.9%
<b>Operating profit before financial and investing activities</b>	<b>204.8</b>	<b>209.8</b>	<b>-2.4%</b>	<b>537.2</b>	<b>539.5</b>	<b>-0.4%</b>
<b>Income and expense from financial and investing activities</b>						
Interest and related expenses	(8.6)	(8.2)	+4.9%	(25.1)	(25.1)	0.0%
Interest income	1.9	0.8	+137.5%	7.2	1.7	-
Foreign exchange differences, net	0.7	3.1	-77.4%	2.6	5.6	-53.6%
Gains / (losses) from investments and other financial assets - Impairment	(0.2)	0.1	-	0.4	(0.2)	-
<b>Total loss from financial and investing activities</b>	<b>(6.2)</b>	<b>(4.2)</b>	<b>+47.6%</b>	<b>(14.9)</b>	<b>(18.0)</b>	<b>-17.2%</b>
<b>Profit before tax</b>	<b>198.6</b>	<b>205.6</b>	<b>-3.4%</b>	<b>522.3</b>	<b>521.5</b>	<b>+0.2%</b>
Income tax	(48.6)	(45.3)	+7.3%	(125.1)	(124.9)	+0.2%
<b>Profit for the period</b>	<b>150.0</b>	<b>160.3</b>	<b>-6.4%</b>	<b>397.2</b>	<b>396.6</b>	<b>+0.2%</b>
Attributable to:						
Owners of the parent	150.0	160.2	-6.4%	397.2	396.4	+0.2%
Non-controlling interests	-	0.1	-	-	0.2	-

**IV. GROUP CONSOLIDATED STATEMENT OF CASH FLOW**

(€ mn)	Q3'23	Q3'22	y-o-y	9M'23	9M'22	y-o-y
<b>Cash flows from operating activities</b>						
Profit before tax	198.6	205.6	-3.4%	522.3	521.5	+0.2%
<b>Adjustments for:</b>						
Depreciation, amortization and impairment	161.5	166.0	-2.7%	493.3	502.8	-1.9%
Costs related to voluntary leave schemes	3.9	2.5	+56.0%	30.5	35.2	-13.4%
Provision for staff retirement indemnities	6.9	1.0	-	3.1	3.0	+3.3%
Provision for youth account	-	0.3	-	(2.4)	0.9	-
Foreign exchange differences, net	(0.7)	(3.1)	-77.4%	(2.6)	(5.6)	-53.6%
Interest income	(1.9)	(0.8)	+137.5%	(7.2)	(1.7)	-
(Gains) / losses from investments and other financial assets- Impairment	0.2	(0.1)	-	(0.4)	0.2	-
Interest and related expenses	8.6	8.2	+4.9%	25.1	25.1	0.0%
<b>Working capital adjustments:</b>	<b>(18.3)</b>	<b>(8.8)</b>	<b>+108.0%</b>	<b>(40.4)</b>	<b>(10.6)</b>	-
Decrease / (increase) in inventories	1.7	(1.3)	-	2.9	(9.1)	-131.9%
Decrease / (increase) in receivables	(27.2)	(11.9)	+128.6%	(74.6)	(30.5)	+144.6%
(Decrease) / increase in liabilities (except borrowings)	7.2	4.4	+63.6%	31.3	29.0	+7.9%
Payment for voluntary leave schemes	(23.7)	(33.6)	-29.5%	(28.7)	(36.0)	-20.3%
Payment of staff retirement indemnities and youth account, net of employees' contributions	(2.0)	(2.7)	-25.9%	(6.6)	(6.8)	-2.9%
Interest and related expenses paid (except leases)	(8.4)	(16.9)	-50.3%	(17.0)	(23.2)	-26.7%
Interest paid for leases	(2.1)	(2.1)	0.0%	(6.6)	(6.5)	+1.5%
Income tax paid	(95.4)	(37.3)	+155.8%	(80.9)	(40.3)	+100.7%
<b>Net cash flows from operating activities</b>	<b>227.2</b>	<b>278.2</b>	<b>-18.3%</b>	<b>881.5</b>	<b>958.0</b>	<b>-8.0%</b>
<b>Cash flows from investing activities</b>						
Sale or maturity of financial assets	-	-	-	-	0.7	-
Purchase of financial assets	(0.1)	(0.2)	-50.0%	(0.8)	(0.6)	+33.3%
Payments related to disposal of subsidiaries/investments	(0.2)	(7.4)	-97.3%	(0.2)	(7.8)	-97.4%
Cash and cash equivalents of subsidiaries disposed	-	(0.7)	-	-	(0.7)	-
Repayment of loans receivable	1.8	2.4	-25.0%	5.4	6.0	-10.0%
Purchase of property, plant and equipment and intangible assets	(183.3)	(178.1)	+2.9%	(429.9)	(440.1)	-2.3%
Movement in restricted cash	0.1	-	-	-	0.1	-
Interest received	1.9	0.8	+137.5%	7.2	1.7	-
<b>Net cash flows used in investing activities</b>	<b>(179.8)</b>	<b>(183.2)</b>	<b>-1.9%</b>	<b>(418.3)</b>	<b>(440.7)</b>	<b>-5.1%</b>
<b>Cash flows from financing activities</b>						
Acquisition of treasury shares	(69.9)	(64.7)	+8.0%	(129.0)	(215.4)	-40.1%
Subsidiary's share capital reduction to minority shareholders	-	(0.8)	-	-	(0.8)	-
Expenses related to subsidiary's share capital increase	-	(0.1)	-	-	(0.1)	-
Proceeds from loans	-	150.0	-	80.0	300.0	-73.3%
Repayment of loans	(11.6)	(386.2)	-97.0%	(173.1)	(397.7)	-56.5%
Lease repayments	(18.8)	(20.6)	-8.7%	(61.7)	(60.3)	+2.3%
Financial liabilities related to wallets	0.3	-	-	(0.7)	-	-
Dividends paid to Company's owners	(249.7)	(249.8)	0.0%	(249.9)	(249.9)	0.0%
<b>Net cash flows used in financing activities</b>	<b>(349.7)</b>	<b>(572.2)</b>	<b>-38.9%</b>	<b>(534.4)</b>	<b>(624.2)</b>	<b>-14.4%</b>
<b>Net decrease in cash &amp; cash equivalents</b>	<b>(302.3)</b>	<b>(477.2)</b>	<b>-36.7%</b>	<b>(71.2)</b>	<b>(106.9)</b>	<b>-33.4%</b>
<b>Cash and cash equivalents, at the beginning of the period</b>	<b>821.1</b>	<b>1,001.1</b>	<b>-18.0%</b>	<b>590.1</b>	<b>630.7</b>	<b>-6.4%</b>
Net foreign exchange differences	0.3	(0.2)	-	0.2	(0.1)	-
<b>Cash and cash equivalents, at the end of the period</b>	<b>519.1</b>	<b>523.7</b>	<b>-0.9%</b>	<b>519.1</b>	<b>523.7</b>	<b>-0.9%</b>